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## CENTRAL INTELLIGENCE AGENCY

## INFORMATION REPORT

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1. Workers and employees in Yugoslav industry do not participate in the management of their respective enterprises. Although it is true that workers elect a workers' council which is legally empowered to manage the affairs of the enterprise, in reality the elections are performed under the control of the local Party cells. Moreover, the power of the executive committee (the managing board) of the enterprise is subordinate to the decisions of the general manager, director, of the enterprise.
2. The general manager and the "secretary general of the enterprise" control the local Party cell and the trade union syndicate; they issue directives to these bodies as a means of regulating and defining their functions.
3. Recent changes in the management of Yugoslav enterprises include a plan to extend additional power to local administrative and Party authorities over enterprises located in their jurisdiction. In the future the election of general managers by the workers' councils must be confirmed by the local authorities.
4. In addition, the post of political secretary in the enterprises is to be abolished. At the present time, enterprises dealing in foreign trade normally appoint former secret police, UDB, officers to the post of assistant manager or secretary general.

1.  Comment:  probably refers to the Party Secretary of the enterprise in question.

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